

Benefits and Entitlements Service Team (BEST)

Newsletter

HQ AFPC/DPIRB, 550 C Street West Suite 57, Randolph AFB TX 78150-4759

BEST Line: 1-800-525-0102 (press 2, then 2 again)

Foreign Area Callers: Toll-Free [AT&T Direct Access Number](#) then 800-525-0102

Hearing Impaired: TDD 1-800-382-0893 or (210) 565-2276

FAX: DSN 665-2936 or (210) 565-2936

[BEST Homepage](#)

[Employee Benefits Information System \(EBIS\)](#)

2009 Edition, Issue 3 – July 2009

The information in this newsletter applies to appropriated fund civilian employees of the Department of the Air Force.

Inside this Issue

Page 1 Thrift Savings Plan (TSP) Information	Page 3 Retirement Tips Calendar of Events
Page 2 Federal Benefits After Separation from Employment	Page 4 Military Service Creditable for Retirement Unscheduled BEST Call Center Closures

Thrift Savings Plan (TSP) Information

The IRS elective deferral limit for regular TSP contributions is \$16,500. CSRS and FERS employees age 50 or older (or who will be age 50 during 2009) who will reach the elective deferral limit during 2009 for regular contributions may contribute an additional \$5,500 in TSP catch-up contributions.

If you are eligible to contribute to TSP, you may make an election at any time via the Employee Benefits Information System (EBIS) web application or the BEST automated phone system (see newsletter heading for web address and phone number).

Your TSP account balance is updated each business day. To access your account balance on the [TSP web site](#), you will need your [TSP account number](#) (or custom user ID) and your 8-character [TSP Web Password](#). To obtain your account balance from the [ThriftLine](#), you will need your TSP account number and 4-digit TSP Personal Identification Number (PIN).

On 22 Jun 09, President Obama signed into law the Thrift Savings Plan Enhancement Act of 2009. The Act authorizes the Thrift Investment Board to make a number of changes to the TSP. The first provision to be implemented is the elimination of the waiting period of Federal Employees Retirement System (FERS) employees to receive agency automatic 1% and matching contributions. This change went into effect on 5 Jul 09 for Department of Defense employees. For more information, see our web article at https://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faqid=5196.

Other changes that will be implemented by the Thrift Investment Board in the future include:

- automatic enrollment of new employees in TSP, unless they elect to opt out, and
- establishment of a Roth 401(k) feature and a mutual fund window.

Look for announcements on the TSP website: www.tsp.gov.

[Top of Document](#)

SEPARATION

Federal Benefits after Separation from Employment

What happens to your Federal benefits if you separate from civil service? The following applies to employees who separate from Federal service for any reason other than retirement, transfer to another Federal agency, receipt of workers compensation benefits, or to enter active military service.

- **Federal Employees Health Benefits (FEHB).** Your FEHB coverage will terminate on the last day of the pay period in which you separate. You then have a 31-day temporary extension of coverage during which the insurance continues at no cost to you and during which you may apply to convert to an individual policy or apply for temporary continuation of coverage (TCC). If you are involuntarily separated on or before 31 Dec 09, you may be eligible for TCC premium assistance. Note: If you are removed for gross misconduct, you are not eligible for TCC.
- **Federal Employees Dental and Vision Insurance Program (FEDVIP).** If you are enrolled in a dental and/or vision plan under the FEDVIP program, your coverage terminates on the last day of the pay period in which you separate. Unlike FEHB, there is no extension of FEDVIP coverage, temporary continuation of coverage, or opportunity to convert to an individual policy.
- **Flexible Spending Account (FSA).** Enrollment in a Health Care FSA terminates on the date of separation. There are no extensions. However, any health care expenses incurred prior to the date of separation are still reimbursable. If enrolled in a Dependent Care FSA, you can continue to use your remaining balance for eligible dependent care expenses until the end of the Benefit Period or until the account balance is used up, whichever comes first.
- **Long Term Care (LTC) Insurance.** If you are enrolled in the program, you will remain enrolled as long as you continue to pay the premiums on a current basis.
- **Federal Employees' Group Life Insurance (FGLI).** Your life insurance automatically terminates on the day you separate from Federal employment. You then have a 31-day extension of coverage during which coverage will continue at no cost to you and during which you may apply for conversion to an individual policy.
- **Thrift Savings Plan (TSP).** When you separate from Federal service, you have several options for handling your TSP account, if you have one. You may leave your money in TSP (if your account balance is \$200 or more); transfer all or part of your TSP balance into an Individual Retirement Account (IRA) or other eligible retirement plan; receive your TSP account balance in a lump sum payment or equal monthly payments; purchase a TSP annuity if you have at least \$3,500 in your account; or, if you also have a uniformed services TSP account, you may transfer your civilian TSP account into the uniformed services account.
- **Retirement Contributions.** You may leave your Civil Service Retirement System (CSRS and CSRS Offset) and/or Federal Employees Retirement System (FERS) retirement contributions in the retirement fund or apply for a refund if you meet certain criteria. If you have at least 5 years of creditable service and leave your retirement contributions in the system, you may apply for a deferred retirement annuity when you become eligible. FERS employees are strongly encouraged to not request a refund of their retirement contributions, since these funds cannot be redeposited if the employee returns to Federal service.

For more details on the above, please see our brochure, [Benefits Summary for Separating Employees](#).

[Top of Document](#)

RETIREMENT CALENDAR OF EVENTS

Retirement Tips

The key to a successful retirement is to begin planning early. The five-year period before retirement is important because you must have Federal employees health and life insurance coverage for five years (or since your first opportunity to enroll) immediately before retirement in order to keep it after retirement. See our home page (<http://ask.afpc.randolph.af.mil/BEST/?prods3=272>) for retirement information on this and other subjects. Just select "Retirement" from the column on the left side of the screen and then choose a topic from the dropdown menu. You can use the Federal Ballpark Estimate, a savings goal worksheet, to help determine how much you need to save to fund your retirement. The worksheet is on the Office of Personnel Management (OPM) web site: www.opm.gov/retire/tools/calculators/ballpark/menu.asp.

Another great way to begin preparing for retirement is to review our Benefit eSeminar "Planning for Retirement." This on-line benefits course is available to all appropriated fund Air Force-served civilian employees and can be accessed through the Employee Benefits Information System (EBIS). The audio-video presentation covers topics such as eligibility for retirement, survivor benefits, Thrift Savings Plan (TSP), Social Security, and insurance. The eSeminar "Financial Planning" covers subjects such as taxes, investment options and estate planning. For details on how to access our eSeminars, see our web article at https://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faaid=8585.

Full Service employees who are within one year of retirement should contact a BEST [benefits counselor](#) for individual retirement counseling. Some of the things the counselor will discuss are: retirement eligibility requirements, setting a retirement date, creditable service for eligibility and annuity computation, civilian service for which retirement contributions were refunded, civilian service not covered by a retirement plan, military service, part-time service, survivor annuity elections, and retirement forms.

You should also obtain retirement estimates using EBIS (http://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faaid=4872) or the BEST automated phone system. However, Full Service employees who are retired military, have temporary service, refunded service, part-time service, military service for which a deposit has not been made, or non-appropriated fund (NAF) service should contact a BEST [benefits counselor](#) to obtain an estimate.

Retirement forms and instructions for submitting your retirement application are located on our web page at http://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faaid=5093. Be sure to read our brochure "[Planning for Retirement](#)" which contains information on many topics such as how to obtain an estimate through EBIS, retirement eligibility requirements, income tax withholding, lump sum annual leave payment, and options for withdrawing funds from your Thrift Savings Plan account.

Ready to retire? Congratulations! We ask that you submit your retirement package to BEST 90 to 120 days in advance of your retirement date. We're here to serve, so remember to contact BEST and speak with a counselor if you have any questions or need assistance with the retirement process.

Limited Service employees must contact their local Civilian Personnel Office for retirement assistance.

[Top of Document](#)

Calendar of Events

2009 Federal Benefits Open Season – 9 Nov 09 through 14 Dec 09

[Top of Document](#)

RETIREMENT CALL CENTER

Military Service Creditable for Retirement

A period of military service may be creditable for civilian retirement purposes if all the following conditions are met:

- The military service is performed before the date of separation from civilian employment upon which title to a retirement annuity is based;
- It was honorable, active duty;
- It was not included in the computation of military retired pay or, if it was included in military retired pay, the retired pay was awarded based on disability incurred in combat with an enemy of the U.S. or caused by an instrumentality of war and incurred in the line of duty during a period of war or granted under the provisions of Chapter 1223, Title 10 U.S.C, Sections 12731-12739 (Reserve retirement); and
- A deposit is made for military service (when applicable).

A deposit is not required if the military service was performed prior to 1 Jan 57. For service performed after 31 Dec 56, deposit rules differ, depending on whether you are covered under the Civil Service Retirement System (CSRS or CSRS Offset) or the Federal Employees Retirement System (FERS).

If you are retired military, you may combine your military service with your Federal civilian service for one retirement if you pay the military deposit. However, you will be required to waive your military retired pay when you retire from civilian service. If you have military service (such as academy service) that was **not** used in computation of your military retired pay, it may be creditable for civilian retirement purposes. Deposit rules apply. If your military retirement orders do not show which periods of military service were used to compute your military retired pay, you will need to contact your branch of service to verify this.

For more details on the definition of military service, information on when a deposit is required, and instructions on how to pay deposits, see our brochure, "[Military Deposit](#)." There are separate brochures for CSRS and FERS; they are available on our website at https://gum.afpc.randolph.af.mil/cgi-bin/askafpc.cfg/php/enduser/std_adp.php?p_faqid=5088.

If you receive Full benefits services from BEST, you may contact a [BEST counselor](#) if you have questions or need assistance with your military deposit. If you receive [Limited](#) benefits services, you must contact your local or servicing Civilian Personnel Office for procedures on how to pay a military deposit.

[Top of Document](#)

Unscheduled BEST Call Center Closures

On rare occasions, such as during inclement weather, a fire drill, etc., Benefits and Entitlements Service Team (BEST) counselors may not be available to help you during our normal business hours of 7 a.m. to 6 p.m., Central Time. When this happens, you will hear the following recording if you try to call us: "Due to unforeseen circumstances or inclement weather, counselors are unable to assist you at this time. The automated phone and web systems remain functional for all employees wishing to obtain general or personal information or conduct transactions not requiring the assistance of a counselor. You may access our website via the AFPC homepage at <http://ask.afpc.randolph.af.mil>. Thank you for your understanding."

[Top of Document](#)